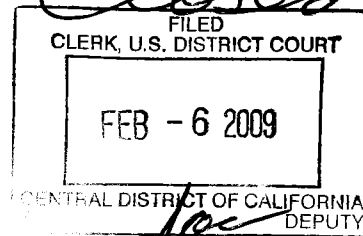


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Attorneys for Plaintiff,
 GIANNI VERSACE, S.p.A.



UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA
 WESTERN DIVISION

GIANNI VERSACE, S.p.A., a Foreign
 Corporation,
 Plaintiff,

-vs-

ISMAEL SLEIMAN, an Individual, **AHMAD SLEIMAN**, an Individual, **LADA JEANSWEAR, INC.**, a California Corporation, collectively *dba 2 Hermanos, 2 Hermanos Import, Dos Hermanos, Vigo Collection, Vigo Trading Co., Lexus, Lada Sportswear, Inc., RN#110862, RN#86578 and RN#98709*, and DOES 1 through 10, Inclusive,
 Defendants.

CASE NO.: CV 06 - 3485 DDP (PLAx)

**FINAL JUDGMENT UPON
 CONSENT; PERMANENT
 INJUNCTION; AND ~~PROPOSED~~
 ORDER THEREON** re

1. **LADA JEANSWEAR, Inc.**
*dba 2 Hermanos, 2 Hermanos
 Import, Dos Hermanos*

COMPLAINT FILED: JUNE 7, 2006

TRIAL DATE: JULY 22, 2008

Plaintiff, GIANNI VERSACE, S.p.A., a Foreign Corporation ("VERSACE") and Defendant **LADA JEANSWEAR, Inc.**, a California Corporation, *dba 2 Hermanos, 2 Hermanos Import, Dos Hermanos*, hereby stipulate and consent to the following Consent Judgment:

WHEREAS, the parties have agreed to the entry of the following findings of fact and conclusions of law finally disposing of Counts I, II, III and IV of the Complaint asserted by **VERSACE**, it is hereby ordered, adjudged and decreed that:

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 ATTORNEYS AT LAW
 BEVERLY HILLS

1 **WHEREAS**, LADA JEANSWEAR, Inc., a California Corporation, *dba* 2
 2 *Hermanos, 2 Hermanos Import, Dos Hermanos*, adopted and began using trademarks in the
 3 United States which infringe or otherwise violate VERSACE's registered trademark(s)
 4 MEDUSA (the "VERSACE Trademarks") as identified in VERSACE's Amended
 5 Complaint and on registry with the USPTO;

6 **WHEREAS**, LADA JEANSWEAR, Inc.'s use of marks which incorporate one or
 7 more of the VERSACE Trademarks, is likely to cause confusion as to source or origin;

8 **WHEREAS**, LADA JEANSWEAR, Inc. sold and/or offered for sale merchandise
 9 bearing marks which incorporate one or more of the VERSACE Trademarks;

10 **WHEREAS**, LADA JEANSWEAR, Inc.'s use of marks which incorporate one or
 11 more of the VERSACE Trademarks, traded on the good will and reputation of VERSACE;

12 **WHEREAS**, based upon VERSACE's good faith prior use of the VERSACE
 13 Trademarks, VERSACE has superior and exclusive rights in and to the VERSACE
 14 Trademarks in the United States and any confusingly similar names or marks;

15 **WHEREAS**, VERSACE Trademarks registered, at issue in this matter, and on file
 16 with the United States Patent and Trademark Office are famous and distinctive; and

17 **WHEREAS**, this Court has jurisdiction over the party to this action and over the
 18 subject matter hereof pursuant to 15 USC 1121(a) and 28 USC 1331, 1338(a) and (b), and
 19 28 USC 1367,

20 **IT IS ORDERED, ADJUDGED AND DECREED** as follows:

21 1. Defendant LADA JEANSWEAR, Inc., *dba* 2 *Hermanos, 2 Hermanos Import,*
 22 *Dos Hermanos*, violated the Federal Lanham Act as alleged in Count I TRADEMARK
 23 INFRINGEMENT (15USC § 1114(1) and Count III TRADE DRESS INFRINGEMENT
 24 (15 USC §1125(a)).

25 2. Defendant LADA JEANSWEAR, Inc., its parents, subsidiaries, related
 26 entities, divisions, officers, owners, shareholders, employees, affiliates, servants,
 27 representatives, agents, predecessors, assigns and successors in interest of any kind, and all
 28 persons, firms, entities, or corporations under its direction and control or in active concert

1 or participation with it, are immediately and permanently enjoined throughout the world
2 from directly or indirectly infringing, counterfeiting, or diluting the VERSACE Trademarks
3 or any marks similar thereto, as identified in Exhibit 1 of the 1st Amended Complaint and
4 on Registry with the United States Patent & Trademark Office at www.uspto.org, in any
5 manner, including generally, but not limited to manufacturing, importing, distributing,
6 advertising, selling, and/or offering for sale any merchandise which infringes said
7 trademarks and specifically from:

8 (A) Imitating, copying or making unauthorized use of any or all of the
9 GIANNI VERSACE trademarks or trade dress;

10 (B) Importing, manufacturing, producing, possessing, distributing,
11 circulating, advertising, promoting, displaying, selling, and/or offering
12 for sale, any non-genuine product bearing any simulation,
13 reproduction, counterfeit, copy, phonetically similar sounding words,
14 or colorable imitation or reproduces, or utilizes the likenesses of or
15 which copy or are likely to cause consumer confusion with any of the
16 VERSACE trademarks or trade dress;

17 (C) Manufacturing, distributing, selling or offering for sale or in
18 connection thereto any unauthorized promotional materials, labels,
19 packaging or containers which picture, reproduce or utilize the
20 likenesses of, or which are likely to cause consumer confusion with
21 any of the VERSACE trademarks;

22 (D) Using any false designation of origin, false description, including
23 words, symbols or any trademark, trade name, trade dress, logo or
24 design tending to falsely describe or represent, or is likely to confuse,
25 mislead, or deceive purchasers, Defendant's customers, or members
26 of the public, that unauthorized merchandise manufactured,
27 distributed, advertised, sold and/or offered for sale by Defendant
28 originate from VERSACE, or that said merchandise has been

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1 sponsored, authorized, endorsed, approved, licensed by, associated,
2 or is in any way connected or affiliated with VERSACE;

3 (E) Transferring, consigning, selling, shipping or otherwise moving any
4 non-genuine VERSACE goods, packaging or other materials in the
5 Defendant's possession, custody or control bearing a design, or mark
6 substantially identical to or confusingly similar with or any or all of the
7 GIANNI VERSACE trademarks or trade dress;

8 (F) Diluting and infringing the VERSACE trademarks and damaging
9 VERSACE's goodwill, reputation and businesses;

10 (G) Otherwise unfairly competing (as defined under Cal. B&PC §17200)
11 with GIANNI VERSACE, S.p.A., or its subsidiaries or affiliated
12 companies;

13 (H) Passing off or selling any products which are not entirely genuine
14 VERSACE products as and for VERSACE products, including
15 products utilizing VERSACE labels, packaging or containers that have
16 been in any way modified without the written permission of
17 VERSACE;

18 (I) Applying to the United States Patent & Trademark Office for the
19 registration of any trademark that is a colorable imitation of any or all
20 of the GIANNI VERSACE trademarks, or confusingly similar mark,
21 trade name, trade dress, logos or design;

22 (J) Using the VERSACE trademarks or any such reproduction,
23 counterfeit, copy, or colorable imitation in connection with the
24 manufacture, importation, distribution, advertising, publicity, sale
25 and/or offering for sale, of any other merchandise not referred to
26 above; and

27 (K) Instructing, assisting, inducing, aiding or abetting any other person or
28 business entity in engaging in or performing any of the activities

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1 referred to above.

2 3. The jurisdiction of this Court is retained for the purpose of making any further
3 orders necessary or proper for the construction or modification of the Settlement Agreement,
4 this Judgment, the enforcement thereof and the punishment of any violations thereof.

5 4. Any party shall have the right to seek sanctions for contempt, compensatory
6 damages, injunctive relief, attorneys' fees, costs, and such other relief deemed proper in the
7 event of a violation or failure to comply with any of the provisions hereof. The prevailing
8 party in any such proceeding shall be entitled to recover its attorneys' fees and costs.

9 5. Judgment is rendered in favor of VERSACE and against LADA JEANSWEAR,
10 Inc., as to Count I TRADEMARK INFRINGEMENT (15USC § 1114(1)) and Count III
11 TRADE DRESS INFRINGEMENT (15 USC §1125(a)), subject to the terms of the
12 Settlement Agreement between the parties. All remaining counts against LADA
13 JEANSWEAR, Inc. are dismissed with prejudice. This Consent Judgment shall be
14 conclusive for purposes of collateral estoppel regarding all issues of liability that have been
15 or could have been brought on the same operative facts.

16 6. The parties respective attorney's fees and costs incurred in connection with
17 this action shall be borne as per the agreement of the individual parties in their Settlement
18 Agreement.

19 7. This Court will retain continuing jurisdiction over this cause to enforce the
20 terms of this Consent Judgment and the Settlement Agreement between the parties, and will
21 retain continuing jurisdiction over LADA JEANSWEAR, Inc., ISMAEL SLEIMAN, and
22 AHMAD SLEIMAN.

23 8. All counterfeit and infringing VERSACE products currently in the possession,
24 custody or control of LADA JEANSWEAR, Inc., its parents, subsidiaries, related entities,
25 divisions, officers, owners, shareholders, employees, affiliates, servants, representatives,
26 agents, predecessors, assigns and successors in interest of any kind, and all persons, firms,
27 entities, or corporations under its direction and control or in active concert or participation
28 with it, shall be turned over to counsel for Plaintiff and destroyed under the direction of

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1 VERSACE.

2 9. Nothing in this Judgment shall be construed or deemed an admission by the
3 parties, nor is there a finding by this Court, that the conduct herein was intentional,
4 deliberate, willful, malicious or fraudulent.

5 10. This Judgment shall be deemed to have been served upon Defendant at the
6 time of its execution by the Court.

7 **IT IS SO ORDERED.**

8 DATED: 2-6-09.




9
10 UNITED STATES DISTRICT JUDGE

11 **APPROVED AS TO FORM AND CONTENT.**

12
13 DATED: September 25, 2008

LADA JEANSWEAR, Inc. *dba*

2 Hermanos, 2 Hermanos Import, Dos Hermanos

14
15
16 By: 

17 ISMAEL SLEIMAN, President/CEO

18
19 DATED: September 25, 2008

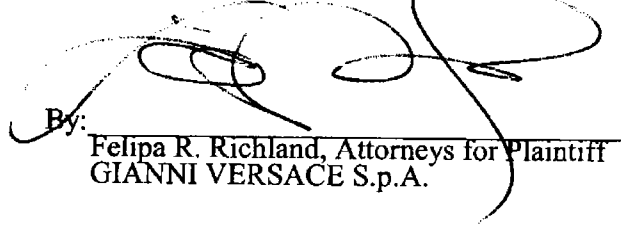
LAW OFFICES OF PHILIP N. ALEXANDER

20
21
22 By: 

23 PHILIP N. ALEXANDER, ESQ.,
24 Attorneys for Defendants
25 ISMAEL SLEIMAN
26 AHMAD SLEIMAN
27 LADA JEANSWEAR, Inc.

28 DATED: September 30, 2008

RICHLAND & ASSOCIATES



Felipa R. Richland, Attorneys for Plaintiff
GIANNI VERSACE S.p.A.

RICHLAND &
ASSOCIATES
ATTORNEYS AT LAW
BEVERLY HILLS